

1964

## CONGRESSIONAL RECORD — SENATE

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## IMPROVED OPPORTUNITY FOR PROMOTION FOR CERTAIN OFFICERS IN THE NAVAL SERVICE

The bill (H.R. 10322) to extend the provisions of the act of August 11, 1959, Public Law 86-155, as amended (74 Stat. 396) to provide improved opportunity for promotion for certain officers in the naval service was considered, ordered to a third reading, read the third time, and passed.

**MR. MANSFIELD.** Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1190), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

## PURPOSE

This bill extends the so-called Navy and Marine Corps hump authority enacted in 1959 from June 30, 1965, until June 30, 1970. The basic law enacted in 1959 provided authority whereby the Navy and Marine Corps, under prescribed procedures, could mandatorily retire Regular officers in the grades of commander and captain, and Marine Corps equivalents, prior to the normal point of retirement. Normally, a commander twice failed of selection to the next higher grade would be retired after 26 years of service, and a captain at 30 years of service. Under this legislation, all officers affected must complete at least 20 years of service, but their retirement points will have been reduced from 1 to a maximum of 7 years.

This legislation has been necessary in order to provide an equitable promotion opportunity to the grades of commander and captain, and Marine Corps equivalents, for those officers who were commissioned during World War II.

During the period of extension—from 1965 to 1970—this authority will be used by the Navy and Marine Corps for the purpose of creating vacancies only for the grade of captain or colonel. The problem of the hump no longer exists in either the Navy or Marine Corps with respect to the grades of commander and lieutenant colonel. It should be pointed out that as a technical matter this authority would be in existence for the grade of commander or lieutenant colonel and could possibly be utilized by the boards for the elimination of officers whose performance did not justify their being continued on active duty for any purpose.

## BACKGROUND

The premise of the hump extension authority contained in this bill is the same that necessitated the enactment of the original legislation in 1959. It is the fact that it is essential for the management of the Navy and Marine Corps that its career officers at any point in time be properly distributed in terms of years and experience throughout the grade structure. If this legislation had not been enacted in 1959, about three-fourths of all the Regular officers in the Navy and Marine Corps who were commissioned during World War II would have been forced into premature retirement. This result would have occurred because the anticipated vacancies would have been insufficient to provide a reasonable promotion opportunity for this group of officers, all of whom were commissioned within a 2- to 3-year period. This group in both the Navy and Marine Corps constitutes what is known as the World War II hump. The basic legislation, therefore, has been utilized to provide vacancies in addition to those caused by normal attrition in order to permit these younger officers to be selected into the grades of commander or lieutenant colonel, or captain or colonel. Without the vacancies, the

younger officers would have been mandatorily retired due to nonselection after the completion of 20 years of active service.

## REVIEW OF THE OPERATION OF THE AUTHORITY (PUBLIC LAW 86-155) TO DATE

The basic authority provides for two methods of mandatorily retiring Regular Navy and Marine Corps officers prior to the normal point of retirement. The first method, that was used by the Navy, provides that officers in the grade of captain who have served in grade for a period of 5 years will be subject to board consideration for the purpose of being either continued on active duty or being mandatorily retired. The second method, which has been utilized by the Marine Corps, is to provide for similar type boards for officers in the grade of colonel who have been twice failed of selection to the grade of brigadier general. For the grade of commander in the Navy and lieutenant colonel in the Marine Corps the basic authority provides that officers who have been twice failed of selection to the next higher grade will be subject to board action for the purpose of either being continued on active duty or being mandatorily retired.

The number of officers who either have been or will be mandatorily retired prior to their normal retirement point in the Navy and Marine Corps during the effective period of this law, between June 30, 1960, and June 30, 1965, is as follows: In the Navy, approximately 1,047 (or 35 percent) of the captains who have completed 5 years in grade were mandatorily retired under this authority; in the grade of commander, approximately 910 officers will have been mandatorily retired; in the Marine Corps, 240 colonels will have been mandatorily retired, with 30 continued on active duty for a normal career; in the grade of lieutenant colonel, 389 were mandatorily retired, and 3 continued.

The vacancies created under this legislation during the initial 5 year period have enabled the Navy to provide a 45-percent promotion opportunity to the grade of captain and a 65- to 75-percent rate to the grade of commander. Without these vacancies, there would have been only an approximate promotion opportunity of 30 percent to the grade of commander and about 25 percent to the grade of captain. In the Marine Corps, with respect to the grade of lieutenant colonel, without the enactment of this legislation, there would have been about a 25-percent opportunity for selection to this grade. With the vacancies created under this authority, a promotion opportunity of about 70 percent has been possible. With respect to the grade of colonel, the authority contemplated that the vacancies created would permit about a 60-percent promotion opportunity for this grade. Without this authority, Regular officers in the grade of lieutenant colonel would have been confronted with even less promotion opportunity than their counterparts in the Navy.

## NEED FOR THE BILL

The need for extending the authority contained in this bill from June 30, 1965, to June 30, 1970, is the same as that underlying the original legislation, which is to provide a reasonable promotion opportunity to the grade of captain in the Navy and colonel in the Marine Corps.

Without the authority to create vacancies by mandatory retirement over the 5-year period in question, promotion opportunity to the grade of captain in the Navy and colonel in the Marine Corps would be only 30 percent. With this legislation, the opportunity will be 45 percent in the Navy and 60 percent in the Marine Corps.

In terms of the operation of the authority for the next 5 years, in the Navy there will be mandatorily retired approximately 448 officers in the grade of captain (347 unre-

stricted line and 101 other groups). In the Marine Corps 326 Regular colonels will be mandatorily retired over the 5-year period prior to the normal retirement point.

As indicated previously, there are no plans for the continued use of the authority for the purpose of mandatorily retiring twice-failed commanders and Lieutenant colonels prior to the normal retirement point.

Neither the Navy nor the Marine Corps foresee the need of any use of this authority beyond June 30, 1970, at this time.

With the authority contained in the extension, both the Navy and Marine Corps will be able to retire officers in the grade of captain and colonel progressively over a 5-year period in order to assist in creating the vacancies for the officers in and behind the World War II hump for the purpose of moving these officers into the grades of captain and colonel.

It might be observed that if the extension is not granted, in addition to the lack of promotion opportunity, about one-half of the officers in the grade of colonel in the Marine Corps would be mandatorily retired in fiscal year 1972 and in the Navy, during this approximate time period, about 40 percent of the captains would be mandatorily retired.

## SAVINGS PROVISION

Section 3 is a savings provision inserted for the purpose of conforming the changes in the retired serviceman's family protection plan to the provisions enacted in 1959 in the hump authority for this purpose. Basically, this provision operates to prevent the mandatory retirement of an officer under the hump authority from having his rights altered because of his early retirement.

Section 3 of Public Law 86-155 is a savings provision to protect the validity of changes or revocations of elections made by non-continued officers under the Contingency Option Act. Under that act, a member of the Armed Forces may elect to receive reduced retired pay in order that his wife and children may have an annuity after his death. At the time of enactment of Public Law 86-155, elections under the Contingency Option Act had to be made before the member completed 18 years of service. Having made an election, the member could change or revoke it, but such a change or revocation would be void if the member retired within 5 years after making it. It was obviously probable that some of the officers who would be retired early under the hump law would have registered changes or revocations of elections which would be invalidated by their unexpectedly early retirement. In fairness to such officers a savings provision was inserted in the law to provide that such an officer's change or revocation is effective if made at such a time that it would have been effective if he had been permitted to complete his normal 26- or 30-year career.

The Contingency Option Act was amended by the act of October 4, 1961, Public Law 87-381, and was renamed the retired serviceman's family protection plan (codified in 10 U.S.C. 1431-1446). The 5-year waiting period was reduced to 3 years. Further, a serviceman, subject to the 3-year rule, may make an original election after his 18th year and may make a new election after having revoked an earlier one. Because of these changes, it is necessary, in section 2 of the proposed legislation, to amend section 3 of the hump law so as to afford protection to these newly authorized actions. It should be noted, however, that, in order to protect the actuarial soundness of the plan, an officer will not be able to enter or reenter the program after the date on which the board which considers him for continuation is convened. In other words, he is not permitted to wait until he knows that he is about to be retired before deciding to participate in the plan.

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## COST AND BUDGET DATA

The Department's letter concerning the proposed legislation indicates that its enactment would result in increased annual costs ranging from \$497,000 in fiscal year 1966 to \$4,774,000 in fiscal year 1970. For budgetary reasons it was necessary for the Department to state these increases as attributable to these years, but most of the additional cost represents expenditures that, in the absence of the proposed legislation, would have to be made in future years. The retirement of officers prior to their normal retirement points will, of course, cause increased expenditures through the retired pay appropriation until the time when the officers would have reached their normal retirement points. After that, until the officers' deaths, the expenditures in retired pay will be less, because the earlier an officer retires, the lower his retired pay.

Payments for unused leave, for travel from last duty station to home, and for the replacements' travel are all payments that would be made in later years, therefore, do not represent true costs.

There will be a reduction in active duty pay as the retiring officers are replaced by officers in lower pay brackets.

The only direct cost clearly attributable to the proposed legislation is the \$234,000 that may be paid in readjustment pay to 117 colonels who will be eligible for the payment if they are retired under the legislation.

The costs which would result from not passing the legislation are probably greater. They are difficult to state in dollars and cents, since it is impossible to put a price tag on the loss in combat effectiveness that would result from the assessment of 70 percent attrition on the commanders and lieutenant colonels who are the war-tested hard core of our future leadership.

In the long run and in the overall view, the Committee on Armed Services believes that the monetary costs of the proposed legislation will be negligible.

## AUTHORITY TO SELL CRUDE OIL FROM UMIAT FIELD, NAVAL PETROLEUM RESERVE NO. 4

The bill (H.R. 6299) to authorize the Secretary of the Navy to produce and sell crude oil from the Umiat field, Naval Petroleum Reserve No. 4, for the purpose of making local fuel available for use in connection with the drilling, mechanical, and heating operations of those involved in oil and gas exploration and development work in the nearby areas outside Naval Petroleum Reserve No. 4, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

**Mr. MANSFIELD.** Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1193), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

## PURPOSE

This bill would provide temporary authorization, until January 1, 1968, for the Secretary of the Navy to produce and sell petroleum from the Umiat Field of Naval Petroleum Reserve No. 4 in Alaska. The purpose of this sale is to aid petroleum exploration and development in the nearby areas outside the naval petroleum reserve.

## EXPLANATION

The Navy owns oil reserves at Umiat, Alaska, an area deep within the Arctic Circle, hundreds of miles from a town or city. The Umiat Field was discovered in 1945 during Navy exploration of Naval Petroleum Reserve No. 4. Exploration was suspended in 1954. Estimates of the recoverable oil in this field have varied from 30 to 122 million barrels. There is now no economical method for transporting oil out of the area.

Within recent years private oil companies have engaged in oil exploration and development in this area. Fuel requirements for commercial drilling on nearby lands outside the reserve must be airlifted from Fairbanks, a distance of 350 miles, or barged in from wells in Canada, 1,000 miles away. Consequently, the current cost of fuel oil at Umiat is very expensive—more than \$35 a barrel compared with approximately \$8 a barrel in Anchorage, Alaska. This oil is necessary as fuel for diesel-powered drilling equipment and to provide heating for the machines and men who operate the equipment.

The combined production capacity of the two wells that are almost immediately capable of providing the production contemplated by this bill is about 500,000 barrels over a period of less than 5 years. This production would be less than 1 percent of the oil in this one 6,000-acre field within the 23-million-acre reserve.

## WHY CONGRESSIONAL ACTION REQUIRED

Under section 7422 of title 10, United States Code, oil is ordinarily produced from the naval petroleum reserve only to protect or conserve these reserves or whenever the oil is needed for national defense, and the production is authorized by joint resolution of the Congress.

If commercial oilfields are successfully developed outside the reserve, the private oil companies presumably will devise and develop means of transporting the oil out of that area. If this were done, the Navy would then have access to the oil it owns within the reserve so that this oil might be produced and used in times of national emergency. For this reason the Department of the Navy favors enactment of the bill.

## FISCAL DATA

Enactment of this bill would not involve the expenditure of any Federal funds since the Navy plans that the sales contract will provide that the purchaser is responsible for all production costs. On the contrary, Government revenues will be increased by the amount of the purchase price.

The basic law, section 7430(b) of title 10, United States Code, requires public sale of production from the reserves to the highest qualified bidder. The committee was informed that the Navy plans to use the Seattle, Wash., posted price of marine diesel bunker fuel as the base price for the oil to be sold in the Umiat Field. This price would be increased by a differential factor that gives weight to the remoteness of the area. This weighted price would become the maximum at which the oil could be sold by the successful bidder to other explorers and developers in the area. The successful bidder will be the one that offers the largest return to the Department of the Navy from the weighted maximum price.

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INCREASE IN BASIC RATES OF PAY FOR MEMBERS OF THE UNIFORMED SERVICES

**Mr. MANSFIELD.** Mr. President, I ask unanimous consent that the unfinished business continue to be laid aside

temporarily and that the Senate proceed to the consideration of Calendar No. 1126, the bill S. 3001, and that the bill be made the pending business.

**The PRESIDING OFFICER.** The bill will be stated by title.

**The CHIEF CLERK.** A bill (S. 3001) to amend title 37, United States Code, to increase the rates of basic pay for members of the uniformed services.

**The PRESIDING OFFICER.** Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

**Mr. MANSFIELD.** Mr. President, I suggest the absence of a quorum.

**The PRESIDING OFFICER.** The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

**Mr. MANSFIELD.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

**The PRESIDING OFFICER** (Mr. FROXIMIRE in the chair). Without objection, it is so ordered.

## PURPOSE OF THE BILL

**Mr. RUSSELL.** Mr. President, S. 3001, the pending bill, was unanimously approved by the Senate Committee on Armed Forces on July 9. The purpose of the bill is to provide a simple and timely increase in basic pay for career members and the junior officers of our Armed Forces.

## TIMELY INCREASE FOR MILITARY PERSONNEL

Ordinarily the committee would not recommend a military pay increase at this time, for it is well known that Congress passed military pay legislation in the previous session of Congress, which became effective October 1, 1963. However, since legislation increasing the pay of the civilian workers of the Federal Government, in even greater percentage, has now passed both Houses, it is only fair that a military pay increase be passed at this time in order to maintain a reasonable comparison in compensation trends for military personnel.

The budget of the President for this year included a pay increase not only for civil servants of the Government, but also for military personnel.

Following the enactment of the Military Pay Act of 1958, which provided for significant increases, there was no further military pay legislation until the Military Pay Act enacted last October, except for an adjustment in the allowances for quarters, effective January 1, 1963.

As Senators know, the civilian workers of the Federal Government, following a pay increase in 1958, also received increases in 1960, 1962, and except for the supergrades, January 1, 1964. The latter was an automatic increase provided for in the legislation of 1962.

As Senators are all aware, the Senate and the House of Representatives both approved legislation providing for a substantial civilian pay increase. That measure is now pending in conference.

It is now a regular part of the congressional procedure—almost ritualis-

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tic—to grant a civilian pay increase in every election year. The military have not been that fortunate. They have been compelled to wait, and I must assume some responsibility for delay, because I had delayed a military pay increase on one or two previous occasions, to see whether or not legislation providing for a civilian pay increase would finally be enacted. That carried the military pay increase over for another year. So the military has consistently been behind the civilian workers of the Federal Government with respect to timing in receiving a pay increase.

We all know that the legislation now in conference will be enacted into law, and under the circumstances an increase in military compensation is not only warranted at this time, but is imperative if we are to deal justly with those in the military services. Those who wear the uniform are entitled to the same consideration as those who carry on civilian work. Those who wear the uniform have no 40-hour week. They do not receive any overtime pay. They must work 90 hours a week. There are a number of other benefits that civilian workers have granted to them in their work that are not available to those in our armed services.

AMOUNT OF INCREASES  
SUMMARY OF INCREASES

Mr. President, I turn now to the specific provisions of the bill. In summary, the bill provides for a 2.5-percent increase in basic pay for all personnel, en-

listed and commissioned, with more than 2 years of service. In addition, for commissioned and warrant officers with less than 2 years of service, the bill provides for a 8.5-percent increase in basic pay.

AN 8.5 PERCENT INCREASE IN BASIC PAY FOR OFFICERS WITH LESS THAN 2 YEARS OF SERVICE

For the junior officers with less than 2 years of service the 8.5 percent increase would provide an average monthly increase of approximately \$19 for the O-1 second lieutenant, and \$22 for the O-2 first lieutenant. In terms of total annual compensation, the O-1 second lieutenant with dependents would receive \$4,790, as compared with \$4,563 at present. A first lieutenant would receive \$5,388, as compared with \$5,214 at present.

The reason that the commissioned personnel with less than 2 years of service will receive an 8.5-percent increase as compared with a 2.5-percent increase given to other members of the armed services lies in the fact that the commissioned personnel with less than 2 years of service have had no increase whatever since 1952 in their basic pay.

It may be remembered that when the Senate passed the last pay bill for the Armed Forces it allowed an increase for our commissioned personnel with less than 2 years of service, but after long discussion in conference that provision was lost. It went down the drain. This modest increase of \$19 a month for a second lieutenant and \$22 a month for a first lieutenant is thoroughly justified, in my opinion.

A 2.5-PERCENT INCREASE IN BASIC PAY FOR ALL PERSONNEL WITH OVER 2 YEARS OF SERVICE

Mr. President, for officers with over 2 years of service the bill provides a 2.5-percent increase in basic pay which would authorize average monthly increases as follows: For the O-2 first lieutenant, \$11; for the O-3 captain, \$15; for the O-4 major, \$18; for the O-5 lieutenant colonel, \$22; for the O-6 colonel, \$26; and for general officers, O-7 brigadier general through O-10 chief of staff, a range from \$31 to \$49 per month.

Therefore, all Members of the Senate can see that these increases are extremely modest.

As an example of the effect on total annual compensation for officers with typical years of service, the O-1 first lieutenant with dependents would receive \$7,735 as compared to \$7,595.

For enlisted personnel the effect of the 2.5-percent increase on those with typical years of service with dependents is as follows: The E-4 would receive \$4,158, as compared to \$4,098 at present. The E-6 would receive \$5,575, as compared to \$5,480 at present, and the E-9 would receive \$7,783 as compared to \$7,638 at present. Table 2, beginning on page 6 of the report, sets forth the amounts for each pay grade. Those figures show that these increases are very small indeed.

I ask unanimous consent that table No. 2 be printed in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE No. 2.—Examples of present pay and allowances with those proposed for fiscal year 1965 (S. 3001)

## OFFICERS

Pay grade	Title	Number in grade, fiscal year 1965	Typical years of service	Present		Proposed		Alternative or additional (no change)	Monthly amount
				Type	Monthly amount	Monthly amount	Increase		
O-10	Chief of Staff; Chief of Naval Operations; Commandant, U.S.M.C.; Chairman JCS.	5	30	Basic pay.....	\$1,970.00	\$2,019.30	\$49.30	2.5	
				Personal allowance.....	1,333.33	1,333.33	0	0	
				Quarters allowance with dependents.....	1,201.00	1,201.00	0	0	
				Subsistence allowance.....	147.88	147.88	0	0	
				Total, monthly.....	2,552.21	2,601.51	49.30	1.9	
				Total, annual.....	30,626.52	31,218.12	501.60	1.9	
O-10	General, admiral.....	32	30	Basic pay.....	1,785.00	1,829.70	44.70	2.6	
				Personal allowance.....	1,183.33	1,183.33	0	0	
				Quarters allowance with dependents.....	1,201.00	1,201.00	0	0	
				Subsistence allowance.....	147.88	147.88	0	0	
				Total, monthly.....	2,217.21	2,261.91	44.70	2.0	
				Total, annual.....	26,606.52	27,142.92	536.40	2.0	
O-9	Lieutenant general, vice admiral.....	110	30	Basic pay.....	1,575.00	1,614.30	39.30	2.5	
				Personal allowance.....	1,41.67	141.67	0	0	
				Quarters allowance with dependents.....	1,201.00	1,201.00	0	0	
				Subsistence allowance.....	147.88	147.88	0	0	
				Total, monthly.....	1,865.55	1,904.85	39.30	2.1	
				Total, annual.....	22,386.60	22,886.20	471.60	2.1	
O-8	Major general, rear admiral (upper half).....	465	30	Basic pay.....	1,420.00	1,455.60	35.60	2.6	
				Quarters allowance with dependents.....	1,201.00	1,201.00	0	0	
				Subsistence allowance.....	147.88	147.88	0	0	
				Total, monthly.....	1,668.88	1,704.48	35.60	2.1	
				Total, annual.....	20,026.56	20,453.76	427.20	2.1	
O-7	Brigadier general, rear admiral (lower half).....	643	28	Basic pay.....	1,235.00	1,266.00	31.00	2.5	
				Quarters allowance with dependents.....	1,201.00	1,201.00	0	0	
				Subsistence allowance.....	147.88	147.88	0	0	
				Total, monthly.....	1,483.88	1,514.88	31.00	2.0	
				Total, annual.....	17,506.60	18,178.56	372.00	2.0	
O-6	Colonel, captain.....	15,371	24	Basic pay.....	1,000.00	1,025.10	25.10	2.5	
				Quarters allowance with dependents.....	170.10	170.10	0	0	
				Subsistence allowance.....	147.88	147.88	0	0	
				Total, monthly.....	1,217.98	1,243.08	25.10	2.1	
				Total, annual.....	14,615.78	14,916.96	301.20	2.1	

Footnotes at end of table.

TABLE No. 2.—*Examples of present pay and allowances with those proposed for fiscal year 1965 (S. 3001)—Continued*

## OFFICERS

Pay grade	Title	Number in grade, fiscal year 1965	Typical years of service	Present		Proposed			Alternative or additional (no change)	Month amount
				Type	Monthly amount	Monthly amount	Increase	Percent increase		
O-5	Lieutenant colonel, commander.	87,461	21	Basic pay.....	\$855.00	\$870.30	\$21.30	2.5		
				Quarters allowance with dependents.....	1157.50	1157.50	0	0	Quarters allowance without dependents.....	\$1130.20
				Subsistence allowance.....	147.88	147.88	0	0	Flight pay (if eligible).....	245.00
				Total, monthly.....	1,060.38	1,061.38	21.30	2.0		
				Total, annual.....	12,721.56	12,980.15	255.60	2.0		
O-4	Major, lieutenant commander.	56,284	19	Basic pay.....	740.00	758.40	18.40	2.5	Quarters allowance without dependents.....	1120.00
				Quarters allowance with dependents.....	1145.05	1145.05	0	0	pendents.....	
				Subsistence allowance.....	147.88	147.88	0	0	Flight pay (if eligible).....	240.00
				Total, monthly.....	982.93	951.33	14.40	1.5		
				Total, annual.....	11,195.16	11,416.96	220.80	1.9		
O-3	Captain, lieutenant.....	106,243	8	Basic pay.....	650.00	679.00	14.00	2.5	Quarters allowance without dependents.....	1105.00
				Quarters allowance with dependents.....	1200.05	1200.05	0	0	Subsistence allowance.....	
				Subsistence allowance.....	147.88	147.88	0	0	Flight pay (if eligible).....	
				Total, monthly.....	742.93	766.93	14.00	1.8		
				Total, annual.....	8,915.16	9,063.16	148.00	1.8		
O-2	1st Lieutenant, Lieutenant (j.g.).	55,751	4	Basic pay.....	465.00	476.70	11.70	2.5		
				Quarters allowance with dependents.....	120.00	120.00	0	0	Quarters allowance without dependents.....	1195.10
				Subsistence allowance.....	147.88	147.88	0	0	Flight pay (if eligible).....	150.00
				Total, monthly.....	632.58	644.58	11.70	1.8		
				Total, annual.....	7,894.56	7,934.96	140.40	1.8		
O-1	2d Lieutenant, ensign.....	50,804	0	Basic pay.....	222.30	241.30	18.00	8.5		
				Quarters allowance with dependents.....	110.10	110.10	0	0	Quarters allowance without dependents.....	1185.20
				Subsistence allowance.....	147.88	147.88	0	0	Flight pay (if eligible).....	100.00
				Total, monthly.....	880.28	899.18	18.90	2.0		
				Total, annual.....	4,588.86	4,790.16	226.80	5.0		
				Basic pay.....	650.00	651.00	16.00	2.5		
				Quarters allowance with dependents.....	145.05	145.05	0	0	Quarters allowance without dependents.....	1120.00
				Subsistence allowance.....	147.88	147.88	0	0	Flight pay (if eligible).....	165.00
				Total, monthly.....	827.93	843.93	16.00	1.9		
				Total, annual.....	9,935.15	10,127.16	192.00	1.9		
				Basic pay.....	540.00	553.00	13.50	2.5		
				Quarters allowance with dependents.....	120.05	120.05	0	0	Quarters allowance without dependents.....	1105.00
				Subsistence allowance.....	147.88	147.88	0	0	Flight pay (if eligible).....	140.00
				Total, monthly.....	717.93	731.43	13.50	1.8		
				Total, annual.....	8,615.16	8,777.16	162.00	1.8		
				Basic pay.....	470.00	481.50	11.50	2.5		
				Quarters allowance with dependents.....	120.00	120.00	0	0	Quarters allowance without dependents.....	1195.10
				Subsistence allowance.....	147.88	147.88	0	0	Flight pay (if eligible).....	135.00
				Total, monthly.....	637.88	649.68	11.80	1.8		
				Total, annual.....	7,054.56	7,196.16	141.60	1.8		
				Basic pay.....	405.00	415.20	10.20	2.5		
				Quarters allowance with dependents.....	110.10	110.10	0	0	Quarters allowance without dependents.....	1185.20
				Subsistence allowance.....	147.88	147.88	0	0	Flight pay (if eligible).....	130.00
				Total, monthly.....	662.98	672.18	10.20	1.8		
				Total, annual.....	6,766.76	6,878.16	122.40	1.8		

## ENLISTED

E-8	Sergeant major or master chief petty officer.	13,545	20	Basic pay.....	\$485.00	\$497.10	\$12.10	2.5	Sea and foreign duty pay.....	\$22.50
				Quarters allowance with dependents.....	120.00	120.00	0	0	Quarters allowance without dependents.....	1185.20
				Subsistence allowance.....	31.50	31.50	0	0	Flight pay (if eligible).....	105.0
				Total, monthly.....	568.50	568.50	12.10	2.2	Proficiency pay, minimum.....	30.0
				Total, annual.....	7,028.00	7,783.20	145.20	1.9	Proficiency pay, maximum.....	100.0
				Basic pay.....	415.00	426.40	10.40	2.5	Sea and foreign duty pay.....	22.5
				Quarters allowance with dependents.....	120.00	120.00	0	0	Quarters allowance without dependents.....	1185.20
				Subsistence allowance.....	31.50	31.50	0	0	Flight pay (if eligible).....	105.0
				Total, monthly.....	666.50	678.90	10.40	1.5	Proficiency pay, minimum.....	30.0
				Total, annual.....	6,798.00	6,922.80	124.80	1.8	Proficiency pay, maximum.....	100.0
				Basic pay.....	370.00	379.20	9.20	2.5	Sea and foreign duty pay.....	22.5
				Quarters allowance with dependents.....	114.90	114.90	0	0	Quarters allowance without dependents.....	1175.00
				Subsistence allowance.....	31.50	31.50	0	0	Flight pay (if eligible).....	105.0
				Total, monthly.....	516.40	525.60	9.20	1.8	Proficiency pay, minimum.....	30.0
				Total, annual.....	6,196.80	6,307.20	110.40	1.8	Proficiency pay, maximum.....	100.0
				Basic pay.....	315.00	322.80	7.80	2.5	Sea and foreign duty pay.....	22.5
				Quarters allowance with dependents.....	110.10	110.10	0	0	Quarters allowance without dependents.....	1170.20
				Subsistence allowance.....	31.50	31.50	0	0	Flight pay (if eligible).....	100.0
				Total, monthly.....	456.60	464.40	7.80	1.7	Proficiency pay, minimum.....	30.0
				Total, annual.....	5,479.20	5,672.80	93.60	1.7	Proficiency pay, maximum.....	100.0
				Basic pay.....	265.00	271.50	6.50	2.5	Sea and foreign duty pay.....	16.00
				Quarters allowance with dependents.....	105.00	105.00	0	0	Quarters allowance without dependents.....	1170.20
				Subsistence allowance.....	31.50	31.50	0	0	Flight pay (if eligible).....	90.00
				Total, monthly.....	401.60	408.00	6.50	1.6	Proficiency pay, minimum.....	30.00
				Total, annual.....	4,818.00	4,906.00	78.00	1.6	Proficiency pay, maximum.....	100.00
				Basic pay.....	206.00	210.00	5.00	2.5	Sea and foreign duty pay.....	13.00
				Quarters allowance with dependents.....	105.00	105.00	0	0	Quarters allowance without dependents.....	1170.20
				Subsistence allowance.....	31.50	31.50	0	0	Flight pay (if eligible).....	70.00
				Total, monthly.....	341.60	346.60	5.00	1.5	Proficiency pay, minimum.....	30.00
				Total, annual.....	4,068.00	4,158.00	60.00	1.5	Proficiency pay, maximum.....	100.00

Footnotes at end of table.

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TABLE No. 2.—*Examples of present pay and allowances with those proposed for fiscal year 1965 (S. 3001)—Continued*  
ENLISTED

Pay grade	Title	Number in grade, fiscal year 1965	Typical years of service	Present		Proposed			Alternative or additional (no change)	Monthly amount
				Type	Monthly amount	Monthly amount	Increase	Percent increase		
E-3	Private 1st class or seaman	586,754	1	Basic pay	\$99.37	\$99.37	0	0	Sea and foreign duty pay	\$0.00
				Quarters allowance without or 1 dependent.	155.20	155.20	0	0	Quarters allowance with 2 dependents.	183.10
				Subsistence allowance	31.50	31.50	0	0	Quarters allowance with 3 or more dependents.	105.00
				Total, monthly	188.07	186.07	0	0	Flight pay (if eligible)	55.00
E-2	Private or seaman apprentice.	345,891	1	Total, annual	2,070.00	2,232.84	0	0	Proficiency pay, minimum	30.00
				Basic pay	85.80	85.80	0	0	Proficiency pay, maximum	100.00
				Quarters allowance without or 1 dependent.	155.20	155.20	0	0	Sea and foreign duty pay	8.00
				Subsistence allowance	31.50	31.50	0	0	Quarters allowance with 2 dependents.	183.10
E-1	Private or seaman recruit	160,271	20	Total, monthly	172.50	172.50	0	0	Quarters allowance with 3 or more dependents.	105.00
				Total, annual	2,070.00	2,070.00	0	0	Flight pay (if eligible)	50.00
				Basic pay	78.00	78.00	0	0	Sea and foreign duty pay	8.00
				Quarters allowance without or 1 dependent.	155.20	155.20	0	0	Quarters allowance with 2 dependents.	183.10
				Subsistence allowance	31.50	31.50	0	0	Quarters allowance with 3 or more dependents.	105.00
				Total, monthly	164.70	164.70	0	0	Flight pay (if eligible)	50.00
				Total, annual	1,976.40	1,976.40	0	0		

<sup>1</sup> Tax free.<sup>2</sup> Under 4 months.

NOTE.—Minimum amount of retired pay. For length of service or age, 50 percent of basic pay at 20 years. For permanent disability, 30 percent of basic pay but not less

than  $\frac{3}{4}$  percent times years of service. For temporary disability, 50 percent of basic pay but not less than  $\frac{3}{4}$  percent times years of service. Maximum amount of retired pay, 75 percent of basic pay. This maximum is payable if the member has 30 years of service or at least an 80-percent disability rating.

## COMMITTEE APPROACH

Mr. RUSSELL. Mr. President, some comment is now in order with respect to the committee approach to this legislation. First, the committee felt that a bill should be reported at the present time, in view of the civilian increases, which, as I have stated, have been much more numerous and substantial than those given to the members of the armed services; second, that the bill should be simple in its approach and in its application.

As the Senate may know, the Department of Defense, in February 1964, submitted a military pay proposal which would have provided for a 2.4-percent increase in basic pay for all enlisted personnel with over 2 years of service and a flat 3 percent in basic pay for all officers both under and over 2 years of service. These percentages were computed through rather complex formulas involving comparisons with a number of civilian type indexes, together with certain retirement discount formulas.

The committee, after consideration, decided on a more simplified approach. First, it was felt that the career enlisted and officer grades should receive the same percentage increases. Let it be remembered that in the last two pay acts enlisted men have received less overall increases than commissioned personnel. Second, it was the committee's opinion that junior officers with under 2 years of service should receive more than the 3-percent increase proposed by Defense in view of the fact that this pay bracket has not been increased since 1952. Third, the committee did not adopt the Department of Defense proposal which would have excluded from any increase the reservists and National Guardsmen who are entitled to drill pay. Historically, reservists entitled to drill pay have been authorized the current basic pay of the grade concerned. Our reservists in a drill pay status are a vital part of our national defense and the committee

saw no reason for changing the current law in this regard.

I should observe, Mr. President, that the pending bill does not involve additional costs over what the Defense proposal would have involved when the inclusion of drill pay in the increase is taken into account. The defense proposal would have cost \$191 million annually. With the inclusion of drill pay an additional \$11 million is involved. The pending bill involves for the Department of Defense an additional annual cost of \$202,441,000, which is the total increase for 1,833,000 men on duty in our Armed Forces.

## NUMBER OF PEOPLE AFFECTED

Mr. President, the increases contained in this bill would affect 2,762,000 persons, including 1,833,000 on active duty, and 879,000 in the Reserves.

This is a very simple proposal. In my opinion the proposed increase is fully deserved by our men and women in the uniform, and I urge that the Senate pass the bill promptly.

Mr. CARLSON. Mr. President, since the distinguished chairman of the Armed Services Committee introduced this bill and has brought it to the Senate for consideration, I have received letters from wives of enlisted men who have served less than 2 years, complaining that they had received no increase in pay and that their living costs have substantially increased. How can I answer such letters?

Mr. RUSSELL. Mr. President, there may be some cases of men who voluntarily enlisted and who may have a complaint. Otherwise, I do not believe there is any merit in this suggestion. For the most part the enlisted personnel, during their first 2 years, are in a purely training status.

In addition, most men with less than 2 years' service live in barracks and eat at Government mess halls. The E-1 recruit, upon his entry into military service is assured, through normal promotion, during his first 2 years of service, of three

automatic pay raises during that period, with a good chance of receiving four.

Under existing law, at the end of 4 months, a man with less than 2 years' service receives an increase of \$5.20 a month.

That is more than the bill gives to those who serve more than 2 years.

Moreover, although the requirements vary among the military departments, it is possible for a recruit to be promoted during that period to the grade of E-4, which is corporal, although he may have served less than a year.

There may be a few instances of married men who have voluntarily enlisted; but we know now that none who are married are drafted. They cannot be taken involuntarily. But the vast majority of the less-than-2-year men live in barracks. They are housed in Government barracks, are fed in the Government mess, and receive their automatic increases in pay during that period.

Mr. CARLSON. I appreciate the Senator's comments.

Mr. RUSSELL. The Senator from Kansas is the ranking member of the Committee on Post Office and Civil Service, and has handled pay increases.

Mr. CARLSON. I am familiar with the pay schedules of the civil employees.

Mr. RUSSELL. The Senator is familiar with the pay increase for civilian employees. He understands the absolute impossibility of dealing exactly equally with every employee, because some who are in the same category will have jobs that are twice as hard and involve more responsibility than others in the same grade or whatever the classification is.

Mr. CARLSON. The Senator from Georgia has been most helpful. I appreciate his comments. The pay increase is justified. The Senator from Georgia, who is chairman of the committee, and the other members of the committee are entitled to much credit for the fine way in which they considered and reported the bill.

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I hope it will be unanimously approved by the Senate.

Mr. RUSSELL. I thank the Senator from Kansas.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. ELLENDER. Is there anything in the act passed last year which would give the Department of Defense the opportunity to come before Congress every year or so to obtain increases such as are provided in the instant bill?

Mr. RUSSELL. No; nothing was written into the law. We do not treat the military personnel as we do the civilian personnel by providing automatic increases for them. We did not provide anything in the bill that would authorize such action.

In the committee report it was stated that if the increases we had allowed, which were the first that had been granted since 1958, were not adequate, the Department of Defense could come back and submit an additional program this year. I do not know whether this proposal was submitted in pursuance of that statement or not; but that statement was in the committee report.

Mr. ELLENDER. As I recall, the cost to the Government for the increases made available last year was in excess of \$1 billion a year.

Mr. RUSSELL. Yes; it was in excess of \$1 billion.

Mr. ELLENDER. I feel that the increase we provided last year, a sum of more than \$1 billion a year, was rather generous. This year, 1 year later, we are again increasing the salaries of generals and admirals and members of the Joint Chiefs of Staff, and so forth, by an additional \$207 million a year. Is that a correct statement?

Mr. RUSSELL. No; this amount is \$201 million. It is \$207 million if we include the Coast Guard and the Public Health Service.

Mr. ELLENDER. They are all supposed to be a part of the armed services.

Mr. RUSSELL. That is correct.

Mr. ELLENDER. The amount is \$207,510,000.

Mr. RUSSELL. That is correct. That is for the Public Health Service, the Coast Guard, and the Armed Forces.

Mr. ELLENDER. I did not hear what the Senator from Georgia stated was the justification for the increase; but, as I understand, the committee did not spend much time in holding hearings, did it?

Mr. RUSSELL. No; it did not.

Mr. ELLENDER. What is the justification for such an increase so soon after the previous pay raise?

Mr. RUSSELL. The Senator from Louisiana knows that we could have held hearings over the weeks and could have built up a record that would have been very long to sustain this proposal. But I did not hold hearings because I thought the hearings that had been held on the civilian pay increase bill, which showed the difficulty of retaining personnel in the civil service and showed the increase in the cost of living, applied in every respect to the Armed Forces.

The Senator well knows that in 1955 Congress increased the pay of civil serv-

ice employees by 7.7 percent on the average; in 1958 it increased their pay 10.1 percent; in 1960 it was increased by 7.7 percent; in 1962 we increased the pay of civil service employees by 5.5 percent on the average; and in January 1964, we increased the pay of civil service employees by 4.1 percent. Under that bill, there was an automatic increase, in January of this year, of 4.1 percent.

Only the other day the Senate passed another bill to increase the pay of civil service employees by 4.2 percent, but that percentage ran from 3 to 22.5 percent for classified employees.

Mr. ELLENDER. To 33 percent in one case.

Mr. RUSSELL. Thirty-three percent in one case.

Mr. ELLENDER. That is what caused me to vote against the bill.

Mr. RUSSELL. I, too, voted against that bill. But this bill provides an increase of only 2½ percent. That is the highest increase, except for the group of less-than-2-year officers, who would get 8 percent. In general, a 2½-percent increase is the highest that anyone in the military service would receive.

I do not see how anyone can justify leaving the military personnel so far behind when we have increased the pay of civilian employees again and again. Of course, that was not done with my vote; I voted against that increase.

The Government has contributed to inflation. It is said that the pay increase is not inflationary; but it would be difficult to find anyone who would not say that his costs of living have not been affected by inflation. The Government has contributed to the wage spiral by its constant increases in civil service pay. But I do not believe the man in uniform should be discriminated against because he does not have a Government employees' union that is permitted to come to Washington and lobby with Senators and Representatives to obtain pay increases. That is one reason why I encouraged the committee to report the bill.

Mr. ELLENDER. I hope the Senator from Georgia will not try to promote a footrace between those who serve in the Armed Forces and those who are employed in the civil service. If one branch receives a pay raise, I do not believe in providing the other branch with a raise whether it is justified or not. I do not believe that is the way Congress should act.

Mr. RUSSELL. I do not propose to have a footrace; but, in my judgment, those who serve in the Armed Forces are more entitled to a pay increase every year than are the civil employees of the Government. If we increase the pay of civil employees even more than they are entitled to, I do not propose to see those who wear our country's uniform discriminated against and denied an increase.

So long as I have anything to do with it, I shall continue to urge the Senate to deal equally as between those who are in the civil employment of the Government and those who are risking their lives in Vietnam and elsewhere today and who tomorrow may be called upon

to risk and give their lives in large numbers. I believe they are as much entitled to an increase as are the employees of the Senate and, for that matter, Members of the Senate themselves. We voted ourselves a large increase.

Mr. ELLENDER. It was \$7,500.

Mr. RUSSELL. We voted ourselves an increase of \$7,500 at one fell swoop.

I may be entirely wrong in my philosophy, but if Congress, whatever may be its reason—perhaps because it does not understand the situation, perhaps for political reasons, to build a Frankenstein of so many Federal employees—is unwilling to say, "No," I do not propose to see those who have no other voice in Washington discriminated against when we distribute tax funds to those in civilian Government employment.

Mr. ELLENDER. I thought the armed services were very well treated last year. My reason for asking the questions was to be at least consistent. I think it has been clearly indicated here one pay increase leads to another; and that the whole process is threatening to get out of hand.

Mr. RUSSELL. That is exactly what I am trying to do. I am trying to be consistent. We are not being very consistent if we give to those in uniform only a 2.5-percent increase, while we give a 4.2-percent increase to civilian employees.

Mr. ELLENDER. I note that table I, proposed increases in one bracket in basic rates for officers under 2 years, shows that the increase will be \$49.30.

Mr. RUSSELL. The Senator is correct.

Mr. ELLENDER. Let us take the admirals and generals.

Mr. RUSSELL. None of them has served as little as 2 years.

Mr. ELLENDER. Under 2 years, there is an increase of \$102 in comparison to \$34.20 for one over 10 years. Why is it that the longer they serve the less increase they seem to get?

Mr. RUSSELL. The Senator is correct. The reason is that those figures were computed, yet they do not apply to a single living human being. Those figures should have been marked with asterisks and explained. We seem to give a greater percent of increase to those who serve less than to those who serve more.

Mr. ELLENDER. Why is that?

Mr. RUSSELL. Those figures were based on a mathematical formula. They do not apply to a single living human being. They are available in case the President should reach down and make some second Lieutenant with less than 2 years' service, say, a Chief of Staff in the Army or an admiral in the Navy. Those figures would then apply. Unless the President did that, they would not apply to anyone. They do not apply today.

Mr. ELLENDER. What this table shows is a little confusing, to say the least. It shows that for under 2 years' service the increase will be greater than for those who have served over 30 years.

Mr. RUSSELL. The Senator is correct. That is because none of them is in that category. There is not a man in

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these high grades who would be affected by this pay increase.

MR. ELLENDER. So I am to understand that generals and admirals who have served less than 2 years will not receive the increase of \$102?

MR. RUSSELL. I beg the Senator's pardon?

MR. ELLENDER. Am I to understand that generals and admirals who have served under 2 years will not receive the increase of \$102?

MR. RUSSELL. They would, if there were any such. The Senator knows that there are no generals or admirals who have served less than 2 years.

MR. ELLENDER. I do not know it. I am asking.

MR. RUSSELL. If the Senator will look at the last figures on the right, he will see the total number involved. He will see that many, if not most of our generals and admirals have served more than 20 years—most of them more than 30 years.

MR. ELLENDER. I see that. In each category of generals and admirals, there are 32 who would be affected.

MR. RUSSELL. No—there are 32 people affected who would receive \$44.70 a month. I do not believe that is a great increase to give a general or an admiral.

MR. ELLENDER. Let me say to my good friend the Senator from Georgia that I am not complaining about it. I am only wondering why this table should show—

MR. RUSSELL. It was really an oversight, because in making a mathematical computation we take it out; not a living soul would be affected by it, because we raised it by 8½ percent since they have not had a pay increase since 1952. Therefore, we increased them a bit more.

MR. ELLENDER. Looking at the same figure, in the first column, under 2 years, the increase in pay seems to be almost as much, as, if not more than in the case of those who have served longer.

MR. RUSSELL. It is several times as much because it is 8½ percent instead of 2½ percent, but no one gets it.

MR. ELLENDER. It strikes me, then, that the table is misleading.

MR. RUSSELL. The Senator is correct. It is, to any one who does not understand the Army's procedure. But the Senator from Louisiana knows as well as I do that there is no general or admiral, nor even a colonel, in the Armed Forces today, who has had less than 2 years' experience.

MR. McNAMARA. Mr. President, will the Senator from Georgia yield?

THE PRESIDING OFFICER (Mr. WALTERS in the chair). Does the Senator from Georgia yield to the Senator from Michigan?

MR. RUSSELL. I am glad to yield to the Senator from Michigan.

MR. McNAMARA. I am happy to vote for the support of the committee. I arrive at the conclusion that I am in support of this recommendation not on the basis stated by the distinguished Senator from Georgia, but because I

believe that the Services require this increase, and that they are properly entitled to it. Strictly on that basis, I am for the report of the committee.

I believe that we put this problem out of focus when we start comparing the military with civilians.

MR. RUSSELL. I was not altogether comparing it with civilians. I believe a most substantial reason for these pay increases is to keep in our Armed Forces the very finest young talent that we have, who cannot afford, in their self-interest, to stay with the services when they can get three or four times as much money working for some large industrial concern or some big business organization.

MR. McNAMARA. I thoroughly agree. I am glad to hear the chairman of the committee make that statement. Moreover, as the chairman of the committee so ably points out, many of our fine young men in the services are not there by their own choice. Certainly, we should treat them as well as the report of the committee indicates they should be treated. I wholeheartedly agree with the report of the committee.

MR. RUSSELL. Let me say to the Senator that it has become common in this country to "slough off" the officers of our Army and to talk about the "brass," but there are no more dedicated men in the service of our country than those in uniform. I know of more men personally who are serving at great financial sacrifice in the Army of the United States than I do in any other walk of life in this Nation or in any other enterprise.

MR. McNAMARA. I am sure that many of us share that view.

MR. RUSSELL. I thank the Senator. (At this point Mr. McGOVERN took the chair as Presiding Officer.)

MR. STENNIS. Mr. President, will the Senator from Georgia yield for one observation?

MR. RUSSELL. I am glad to yield.

MR. STENNIS. I commend the distinguished Senator from Georgia, chairman of the Armed Services Committee, for the work he did with reference to the officers in the services with less than 2 years of service. The adjustments in pay in that category were long overdue. We talk about morale. This is where a relatively few dollars will certainly boost morale. The Senator has been very fair and much concerned about this matter, and took it upon himself to lead in making the adjustment, and I commend him highly.

MR. RUSSELL. The Senator will recall that when we passed the last pay bill we undertook to do something about young officers with less than 2 years service, but we ran up against a stone wall.

In order to get a bill, we had to give up that increase. The Senator is exactly correct. We cannot expect too much from the morale of these men, discharging the same responsibilities as their colleagues who have served, perhaps, for 2 years and 2 days, and are drawing substantially more money than they are.

MR. STENNIS. I believe that the Senator from Georgia has devised a plan which will prevail and become the law.

MR. RUSSELL. I thank the Senator for his comments.

MR. YARBOROUGH. Mr. President, will the Senator from Georgia yield?

MR. RUSSELL. I yield.

MR. YARBOROUGH. I commend the distinguished chairman of the Armed Services Committee for the work which he has done on this bill. I believe that these pay raises are justified. The distinguished Senator from Georgia has rendered a very fine service. I shall support the measure.

I wish to inquire as to one or two categories. One is that of the man with less than 2 years' service, which I shall come to later. But first I wish to ask the distinguished Senator, the chairman of the committee, if he would accept an amendment to the substance of S. 2021, which was drafted last year, as an amendment to another pay bill. This is the amendment which would give a Reserve officer's widow the same protection that a Regular Army officer's widow would receive, if the officer died during a 30-day period after his retirement and before the first check came in. I should like to send the amendment to the desk—

MR. RUSSELL. Let me say to the distinguished Senator from Texas that I am thoroughly familiar with the provision. It has considerable merit, but I have been hopeful to get this bill approved. The bill which will follow the one now before the Senate, the dual compensation bill, to equalize the opportunities of Reserve officers and Regular officers serving in the Federal Government, is a much more proper vehicle for this amendment than the pay bill. I hope that the Senator will defer offering his amendment for an hour or so and offer it to the dual compensation bill.

MR. YARBOROUGH. Mr. President, the bill deals with military retirement pay.

MR. RUSSELL. I understand. So does the other bill. It deals with compensation.

MR. YARBOROUGH. The other bill deals solely with civilian compensation after the personnel have left the military service and entered civilian employment.

I have worked on the bill long and hard in order to get action for these people.

MR. RUSSELL. I am in favor of that bill. But I regret that the Senator sees fit to offer it as an amendment to this bill. He has worked hard on the dual compensation bill. There is no doubt in my mind that the dual compensation bill is a more appropriate place for the amendment than a bill which provides for a straight pay increase and does not deal with retirement or pension.

MR. YARBOROUGH. The dual compensation bill is under the jurisdiction of the Committee on Post Office and Civil Service. This amendment, S. 2021, comes under the jurisdiction of the Committee on Armed Services, not under our committee. We could not appropriately put it in our bill, or we would have written it into the bill. It is a matter that has come before the Armed Services Committee. As the distinguished Senator from Georgia knows, the bill had

been offered as an amendment long before the bill was introduced. While the Defense Department has not seen fit to write a report, the Social Security Administration has. In its report, it comments on the relatively insignificant financial effect of the plan. It applies only in the very limited case of a Reserve officer who has served his time and then dies before the first of the following month, on which day his first check would be received by the widow. The widow gets nothing, although the officer has selected his annuity plan.

The proposed amendment would provide that the annuity eligibility would go into effect when he retired. If he had been a Regular officer and retired, this annuity gap would not arise.

The amendment would apply to only a very limited class. It would apply only in the case of an officer who died in that 30-day period. If he were to live 30 days, past the first of the month, the widow would receive the annuity. It is a great hardship. The husbands have served out their time. They have earned the pension.

The Board of Actuaries advising the Defense Department says it would not cost more. The reason that the Board of Actuaries says it will not cost more is that the men have already earned it. They have designated their widows as the survivors. Then they die before the annuity can be collected. There is a hiatus in the law that has existed for years.

We have taken this measure up with the committee. We have offered a bill. On this day, the Defense Department—which says it wants to see fairness done in this case—has never answered the request of the committee chairman. It has never given a report on the bill. It ought to be as fair to the widows of officers who die as they are to those who are still in the service.

The chairman has rendered a distinguished service. The only way that we can get fairness for the widows is to bring this measure out on the floor of the Senate. The Defense Department has not prepared an answer to the committee with regard to this measure, and 11 months have gone by.

Mr. President, I ask the distinguished chairman to please accept the amendment.

Mr. RUSSELL. Mr. President, I freely confess that the Senator has a case. I do not believe there are many people involved. But that is no reason for doing an injustice, if only one person is involved. If there is any disparity, I want to correct it. But I wish that the Senator would not insist that I accept his amendment to the bill. If I do it now, it will go to conference. That would mean that the Senate amendment would undoubtedly be lost in the conference. It would mean a delay in the enactment of the bill, whereas I have every reason to believe that in the form the bill is today, it will pass without any conference.

I shall be glad to again urge the Department to make a report on the bill. I am in favor of the bill proposed by the Senator. If we receive a report from the Department, I shall be glad to bring it to the attention of the committee and bring the bill on the floor.

I hope the Senator will not insist on his amendment to the bill. The bill affects many people of relatively small income. If the amendment were agreed to, it would cause a delay of a month or two in the pay that these people would receive.

Mr. YARBOROUGH. Mr. President, I appreciate the remarks of the distinguished chairman. Were this January, of course, I would not attempt to offer the amendment. But considering the lateness of the session, this is the only way that we can obtain justice in this session for this very limited class of people.

The bill has not yet passed the House. The bill would go to the House. It has not yet reached the state of conference.

Mr. RUSSELL. That is true. I had hoped that it would not reach the state of conference. I had reason to believe that if it were passed in the form in which it was reported by the committee, it would not go to conference.

Mr. YARBOROUGH. If the House were to strip this amendment from the bill, there would be no occasion for a conference unless the Senate then voted for the amendment.

Mr. RUSSELL. If the entire House voted for the amendment, it would go to conference. The bill has not been introduced in the House. The military pay increase bill has not been introduced in the House.

Mr. YARBOROUGH. If the amendment were agreed to, the question of whether the bill would then go to conference would be a matter for the entire Senate. Suppose the amendment were agreed to. If the House removed the amendment from the bill, then the question of whether or not there would be a conference would depend on whether the Senate insisted on its amendment.

Mr. RUSSELL. I had assumed that if we were to send the bill over with the amendment included in it, the House would probably ask for a conference, if it were to pass the bill. If it did not ask for a conference, the Senator is correct from a parliamentary standpoint. The Senate could recede. But if a conference were requested, the Senate would have no option. We could not dispose of the bill then in any other way.

Mr. YARBOROUGH. The Board of Actuaries certified that there would be no additional cost. It seems to me highly improbable that there would be a conference in the closing days, when it is so difficult to get a bill passed on this small amendment that might affect a dozen widows who have already earned the annuity, and, merely because their husbands died before the 1st of the month, they cannot receive it. We worked on this problem for more than a year.

Mr. RUSSELL. Mr. President, I have great compassion for the small number of people involved in the bill. But I cannot accept a retroactive amendment that goes back to 1951.

Mr. YARBOROUGH. Mr. President, I would like to read a sentence from the report of the chief actuary, Robert J. Meyer, of the Social Security Administration, advising the Defense Department on this bill. It is dated April 7, 1964. It reads:

Accordingly, from our point of view, we would have no objection to S. 2021 as drafted in its present form, insofar as its bearing on the cost of the plan is concerned.

Mr. RUSSELL. The Senator's report is based on a bill on which the Department of Defense has not yet submitted a report. I assure the Senator that I will obtain a report on the bill from the Department of Defense within the next 3 weeks so that the matter can be considered. But I cannot accept a retroactive amendment to the bill.

I regret it very much. I am for the Senator's proposal. When we get a report from the Defense Department, I intend to move to report his bill. But I cannot accept a provision on the pending bill which is intended to have retroactive application.

Mr. YARBOROUGH. Mr. President, has my amendment been stated?

The PRESIDING OFFICER. The amendment of the Senator from Texas has not yet been stated. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 4, line 15, it is proposed to add a new section 5, as follows:

That (a) section 1437 of title 10, United States Code, is amended by striking out at the beginning of the first sentence thereof "Each annuity" and inserting in lieu thereof "(a) Except as provided in subsection (b) of this section, each annuity".

(b) Such section is further amended by adding at the end thereof a new subsection as follows:

"(b) In any case in which a person—

"(1) has met all the requirements for the receipt of retired or retainer pay under chapter 67 of this title,

"(2) has made an election in favor of beneficiary or beneficiaries under section 1434 of this title, and

"(3) dies prior to the date on which he would have first become eligible for the receipt of retired or retainer pay under such chapter 67,

an annuity shall be paid under this chapter to such beneficiary or beneficiaries, as the case may be, upon application filed by such beneficiary or beneficiaries as provided by regulations prescribed by the Secretary concerned, beginning as of the first day of the month in which such person would have been eligible to receive retired or retainer pay under chapter 67 of this title had he not died."

(c) The amendments made by subsection (a) and (b) of this section shall become effective as of October 1, 1963, but no benefits shall accrue to any person as a result of the enactment of such amendments prior to the date of enactment of this Act.

Mr. YARBOROUGH. Mr. President, ask unanimous consent that a letter, dated April 7, 1964, from Mr. Robert Myers, Chief Actuary, Social Security Administration, referring to the bill S. 2021, be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD as follows:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, SOCIAL SECURITY ADMINISTRATION,  
Washington, D.C., April 7, 1964.

Mr. R. L. WALTER,  
Chairman, DOD Joint Board, RSFPP, Office of the Deputy Chief of Staff for Personnel, Department of the Army, Washington, D.C.

DEAR RUDY: This is in response to your request to the Board of Actuaries in regard to its views on S. 2021.

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The following recommendation on this bill is based on our understanding that it is of extremely limited scope in that it would only apply to reservists who are not in active-duty status for the fractional-month period between the time that they attain age 60 and the first day of the following calendar month. As the law now stands, such individuals who have elected to participate under the plan do not have any protection thereunder in the rare event that they die in this fractional-month period. The bill would change the situation so that they would have this protection.

As we understand the bill, there would be no deduction from the subsequent retired pay for the fractional-month protection afforded. From a strictly actuarial-equivalent approach, there should be such a proportionate deduction for the fractional-month period involved with respect to all the reservists affected—not only the few dying in this fractional month but also the vast majority who live through it.

The Board of Actuaries has considered this problem from a broad viewpoint. After taking into account both the administrative problems that would be created by requiring proportionate deductions for the fractional-month period and the relatively insignificant effect on the financing operations of the plan resulting from such proportionate deductions, the Board does not consider it necessary that such proportionate deductions be required. We would, of course, have no objection if they were required.

Accordingly, from our point of view, we would have no objection to S. 2021 as drafted in its present form insofar as its bearing on the cost of the plan is concerned. We are somewhat concerned, however, about the policy involved in this bill, since such a procedure might well serve as a precedent to cover similar cases of deaths in active service under the plan, and the cost of doing this is not covered in the financing provided.

Sincerely yours,

ROBERT J. MYERS,  
Chief Actuary.

Mr. YARBOROUGH. Mr. President, my amendment is identical in terms with the bill S. 2021. I believe that the distinguished Senator from Georgia, as he stated, is fully conversant with the amendment.

I ask unanimous consent that a brief explanation of the amendment be printed at this point.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

**EXPLANATION OF YARBOROUGH AMENDMENT TO  
MILITARY PAY BILL**

This amendment concerns payment of annuities for survivors of retired members of the Armed Forces. Under present law a member of the Armed Forces may elect to accept a reduced amount of retired pay in order to provide an annuity for his widow, or children under 18 years of age and who also meet other limiting conditions. This annuity may be 50, 25, or 12½ percent of the reduced amount of the man's retired or re-enter pay.

In order for the intended beneficiary to qualify for the annuity, the serviceman must have been in receipt of retired pay at the time of his death. For the convenience of Government bookkeeping, an individual does not start receiving retired pay until the beginning of the month following the month in which he actually qualifies for retired pay.

Thus if he dies between the date on which he qualifies for retired pay and the first of the following month, his intended beneficiary will receive no annuity.

This amendment would correct the unintended inequity by amending section 1437 of

title 10, United States Code so that in cases in which a serviceman has completed all the age and service requirements for the receipt of retired pay but dies between the date on which he qualifies and the first of the following month, his properly designated beneficiaries will receive the annuity to which they are entitled.

Mr. YARBOROUGH. I appeal once more to the distinguished Senator from Georgia to accept the amendment. I have worked for more than a year on this proposal for the limited class of people who have been so disadvantaged. A Reserve officer who has been in military service has earned his retirement. He might have designated his wife as an annuitant. He has earned that annuity by his service to our Government in the uniform of his country. If a Regular Army officer retires on the first of a month and dies before the first of the next month, this problem does not arise, but if a Reserve officer should die in a similar situation, his wife would not receive a red cent. He might have served for a period of more than 20 years. He has earned the annuity. Yet his wife might be left penniless.

This is a question which is under the jurisdiction of the Armed Services Committee; it is not under the jurisdiction of the Committee on Post Office and Civil Service. We have worked on S. 2021 for more than a year. We have brought the proposal in the form of a bill to the committee of which the distinguished Senator from Georgia is chairman. We were told to offer the proposal as a separate bill. Last August we introduced the bill. For 11 months, the Defense Department has declined to give the committee a report on the bill. The Department would kill it by its refusal to report. But the board of actuaries advising the Defense Department has rendered a report and has shown that it would have no substantial cost.

The deceased Reserve officers have earned the annuity. It is money that the officers earned while in the uniform of their country.

The injustice is so great that, I believe, with the great prestige of the distinguished chairman of the Committee on Armed Services behind the proposal, the House of Representatives would accept it, if the chairman would accept it. I commend the Senator from Georgia for his work on the pending bill. I shall support the pay bill. But I point out that here is a group of people who have suffered and waited for a long time, and we have been unable to obtain a report from the Defense Department on the subject. I think it is time that someone acted in behalf of those affected.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Texas [Mr. YARBOROUGH].

Mr. RUSSELL. Mr. President, I regret that I cannot accept the amendment. If the Senator will offer the amendment to the dual compensation bill, which deals with equalizing the discrepancies between Reserve officers and Regular officers, and which is to follow the pending bill, I shall be happy to support the proposal. But I do not

think it has any place in the pending bill. It would be much more in order in connection with the bill H.R. 7381.

The Senator from Texas is a member of the Committee on Post Office and Civil Service. I think he should offer his proposal as an amendment to the bill H.R. 7381, rather than the pending bill. The proposal could only result in delaying a modest increase in compensation to those in the service of our country. The bill providing for dual employment and dual compensation deals with a condition which has existed for a great number of years.

Mr. YARBOROUGH. Mr. President, I point out that the dual compensation bill deals only with compensation and not with retirement.

Mr. RUSSELL. No retirement benefits are provided in the pending bill. The bill H.R. 7381 deals with equalizing inequities between Reserve officers and Regular officers. The pending bill applies to both, Reserve and Regular, in reference to the proposed pay increase. I insist that the bill is much more in order on the bill H.R. 7381, which is to follow consideration of the pending bill. I shall be glad to support the proposal in connection with that other bill.

Mr. YARBOROUGH. The bill was referred to the Committee on Armed Services. The Committee on Post Office and Civil Service has no jurisdiction over the subject matter of the bill S. 2021. It is a military question.

Mr. RUSSELL. I have not been too sure that the Committee on Armed Services has jurisdiction of that bill, because many questions relating to Reserve officers are handled in the Finance Committee. I was for the bill, and I was hoping that we could obtain a report on the subject and bring the bill before the Senate. Therefore, I have not raised any question of jurisdiction. But I cannot accept the bill as an amendment to the pending bill.

Mr. YARBOROUGH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. YARBOROUGH. Mr. President, I understand that the distinguished chairman of the Armed Services Committee, the Senator from Georgia [Mr. RUSSELL], is willing to appoint a special subcommittee of members of the Committee on Armed Services who will not be too busy in the closing weeks, and who would be willing to serve on such a subcommittee to consider the bill S. 2021. Am I correct in my statement?

Mr. RUSSELL. The Senator is correct. The amendment possesses great merit. Standing on its own bottom, I would be happy to support it. There is no doubt in my mind as to the action that would be taken. However, I do not wish to speak for a subcommittee that has not yet been appointed. I shall be happy to appoint a subcommittee of

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three members of the Committee on Armed Services to consider the bill immediately. I shall appoint such a subcommittee today.

Mr. YARBOROUGH. Mr. President I appreciate that action of the distinguished chairman, particularly his offer to appoint the subcommittee today. We had not asked the chairman for such prompt action. I am grateful for it.

Mr. President, in view of that statement, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. YARBOROUGH. Mr. President, I wish to ask the distinguished chairman of the committee a question with reference to the paragraph of the report beginning on the second line from the bottom of page 1, which reads:

The basic pay for those with under 2 years of service has not increased since 1952, as compared to the other pay brackets which have been increased in varying amounts in 1955, 1958, and 1963. The committee was of the opinion, therefore, that an increase for the under-2-year officer pay brackets in excess of that provided for the over-2-year pay brackets was justified in view of the lack of past increases for these brackets.

My question to the distinguished Senator from Georgia is, Has this situation existed with reference to servicemen in grades E-1 to E-5 since 1952? Have they had no increases in pay since 1952?

Mr. RUSSELL. The Senator is correct. All of those with under 2 years of service, whether enlisted men or commissioned personnel, have not received any basic pay increase since 1952. There is a considerable difference, however, in the status of commissioned and enlisted personnel in the under-2-year bracket. Most of the first 2 years service of the enlisted men is spent in training of one kind or another, whereas the commissioned personnel have had their training and are supposed to embark upon their duties when they reach the organization to which they are assigned.

In addition, married men are no longer drafted. Most of these men are single and live in Government barracks and eat at the Government mess; whereas the officers in many cases have to find housing and have to eat outside and do not have the benefits of the Government mess. That is the reason why the distinction is made.

Mr. YARBOROUGH. Those in grades E-1 to E-5 who have been in service for over 2 years also live in barracks and eat at Government mess.

Mr. RUSSELL. If they have over 2 years' service, they receive the increase.

Mr. YARBOROUGH. Those who served for 2 years also received an increase in 1955, 1958, and 1963.

Mr. RUSSELL. I believe that is correct.

Mr. YARBOROUGH. But during that same period of time, as was so ably pointed out by the chairman of the committee in his statement in support of the entire bill—and I am in support of it—civilian employees of the Government have received numerous increases.

Mr. RUSSELL. That is correct. Of course, civilian employees of our Government do not live in Government barracks or eat at the Government mess.

Mr. YARBOROUGH. And they do not receive hospitalization.

Mr. RUSSELL. That is correct.

Mr. YARBOROUGH. During that period of time, with the exception of E-1 through E-5, the privates, the corporals, and all the rest of the lower grades, have received three other raises in addition to those here proposed.

Mr. RUSSELL. This is not as unfair as it seems because the less-than-2-years servicemen are automatically assured of three pay raises during that 2-year period—three promotions. At the end of 4 months they receive an increase of \$5.20 under existing law. At the end of 1 year they may receive increases because of promotion that amount to about 18 or 20 percent of their initial pay. That is due to the pay increases established by existing law.

I do not believe the same rule applies to enlisted men that applies to officers, who in many cases are married and who are from 4 to 7 years older, on the average, than enlisted men with less than 2 years' service, who are very well provided for in the barracks and at the mess.

Mr. YARBOROUGH. The letters I have been receiving over the years from those in these grades and their families are not in accordance with the opinion expressed here that they do not need the increase.

Mr. RUSSELL. If the Senator will pardon me for interrupting, if the selective service regulations had not been changed so that married men are no longer subject to the draft, I would have supported a pay increase for this category, but under the present selective service regulations, a married man is not subject to induction or compulsory service. Therefore, these are usually single men, between the ages of 18 to 21. There are individual cases in which married men, even though they may have had a child or two, have enlisted for one reason or another. In that latter case, this pay is not adequate, but I do not believe we should overpay 98 percent of those for whom this pay bracket is adequate in order to equalize the pay for the 1 or 2 percent for whom the compensation may not be adequate.

Mr. YARBOROUGH. I cannot agree that \$78 a month or \$83.20 a month or \$85.80 a month, for example, in grades E-1 and E-2 is overpayment.

Mr. RUSSELL. I have not said they are overpaid. I said if we were to give them a substantial increase, they would be overpaid. I think this pay is about right. At one time we increased the compensation of the recruit in the U.S. Army, as I recall, from \$30 to \$65 or \$70 a month, which was the largest increase ever given. It was in 1942. Since that time it has been increased to \$78.

The 2-year service members are, in a sense, discharging their obligation to

their country. If they remain in the service longer and desire to make a career of it or serve for longer than 2 years, they will receive the benefit of these pay increases.

Very frankly, I do not think the situation justifies an increase of pay which would bring about a great increase in the total cost of the bill.

Mr. YARBOROUGH. Could the distinguished chairman of the committee inform me, or does the staff have the figures, as to what the increase in cost would be if the pay of the enlisted men were increased, not by the 8½ percent the officers and warrant officers would receive, but by only 2½ percent?

Mr. RUSSELL. It would be only \$28 million, but such an increase in those pay brackets would mean an additional pay of only what would be spent in a night over the weekend or perhaps on a case of beer. It would not be a substantial increase. If their pay is to be increased, it should be an 8- or 10-percent increase, on the ground that they have been passed over. Personally, I do not think they are entitled to one, because they live in Government quarters, in barracks. Ninety-nine percent of them eat at the Government mess. I refer to those with less than 2 years' service. All of them are engaged in training for at least 4 months, and the majority of them are in training for 1 year.

Mr. YARBOROUGH. They could not very well eat anywhere but in a Government mess hall, at \$78 a month.

Mr. RUSSELL. Of course not. If they did not eat there, we would increase their pay also.

Mr. YARBOROUGH. I have had legislative counsel draft a proposed amendment to increase the pay of these enlisted men by 2.5 percent. I agree with the distinguished chairman that it ought to be 8.5 percent.

Mr. RUSSELL. I did not say it ought to be. If they should receive an increase that is what they should receive. I do not believe they should receive an increase.

Mr. YARBOROUGH. I made a rapid calculation that it would cost \$26 million. The staff claims it would be \$2 million.

Mr. RUSSELL. That is correct.

Mr. YARBOROUGH. We are increasing the pay of all the civil servants. We are increasing the pay of every military person except those who have served less than 2 years, below grade 5. The table shows that some majors have served under 2 years but are also receiving an increase. Table 1 shows majors and lieutenant commanders with less than 2 years of service who are getting an increase.

Mr. RUSSELL. I challenge the Senator to name one in that category.

Mr. YARBOROUGH. The figures show that.

Mr. RUSSELL. If the President were to reach down to one of these recruits

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and appoint him Chief of Staff, he would get an increase of \$49.30 a month, but the possibility of the President doing that is remote, and therefore the figures do not mean anything.

Mr. YARBOROUGH. The distinguished chairman has challenged me to name one major.

Mr. RUSSELL. I have challenged the Senator to name a lieutenant command-

er or major who has less than 2 years of service. There may be a few medical officers, of course.

Mr. YARBOROUGH. Table 1 shows 10 majors with less than 2 years' service.

Mr. RUSSELL. There undoubtedly may be a few officers that I overlooked.

Mr. YARBOROUGH. And also captains and lieutenants. The table shows 2,527 captains and lieutenants with less

than 2 years' service. It shows 4,861 first lieutenants, or lieutenants junior grade.

Mr. RUSSELL. All of them would receive an 8½ percent increase.

Mr. YARBOROUGH. I ask unanimous consent that table 1 be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

# **CONGRESSIONAL RECORD — SENATE**

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TABLE No. 1.—*Proposed increases in basic pay rates for officers (1965) (S. 3001)*

[Cost figures in thousands of dollars for 12 months]